PLANNING FOR PEOPLE

1 Strategies for Renewal

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Strategies for Renewal

I am pleased and proud to introduce "Strategies for Renewal"—the first in a series of initiatives being undertaken by the Human Resources Secretariat, in its new human resources management program entitled "Planning for People".

Strategies for Renewal is the first step in an annual human resources planning and management reporting system which will be linked to the estimates cycle. By ensuring such a linkage with financial planning, we are emphasizing the importance of people in the provision of efficient and effective services by government.

Each ministry will work towards the attainment of the corporate strategies and objectives described here, in ways and time-frames most appropriate to its own needs and strategic objectives. The corporate goals, however, must always be kept in mind.

I am confident that, together, we will achieve by the mid 1990's, a workforce more reflective of Ontario's diverse society and well equipped to serve the people of the province to whom we are all accountable.

G.R. Podrebarac
Deputy Minister
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Ontario Workforce Profile

The Ontario Public Service has approximately 67,000 classified employees in three major groupings.

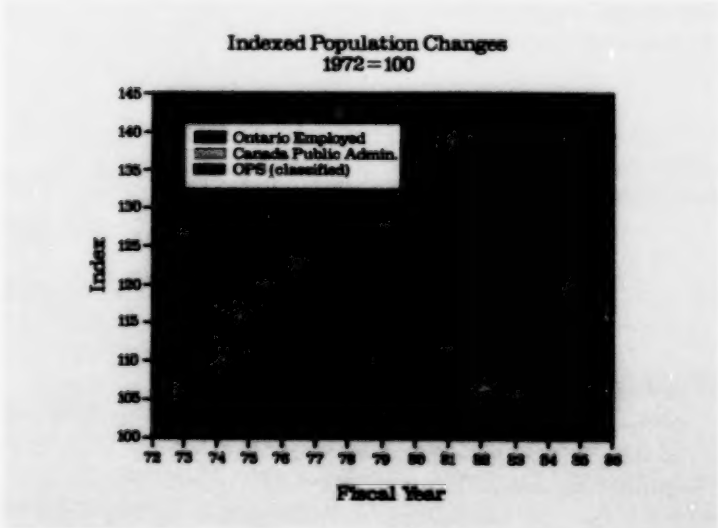
Current % of Workforce	
Executive	0.8%
Management/Professional/Excluded	18.6%
Bargaining Unit	80.6%

A decade of constraints, emphasis on downsizing, high unemployment and a depressed economy has resulted in a workforce which has become flatlined and static.

Turnover and Hiring Trends

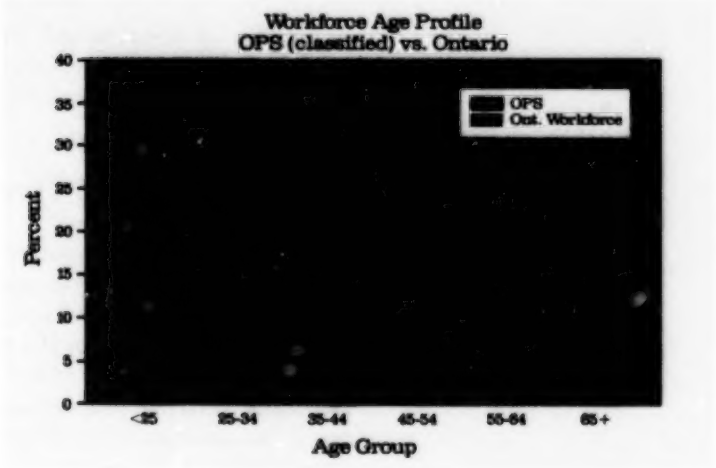
Since 1970 the separation/turnover rate in the Ontario Public Service has dropped from 16 per cent to 4 per cent, a decline of 66 per cent. Last year, 70 per cent of all appointments were from within the service and 60 per cent of these were restricted to the home ministry. Of the remaining 30 per cent 'outside' appointments, hiring is predominantly from the unclassified service and 'rehires.' Only a small proportion of all appointments represent new hires and access by the public to government jobs.

Changing social values, economic necessity, and improved maternity policies have resulted in a drop in the resignations for women from 21 per cent in 1970 to 8 per cent in 1985. At the present rate of intake and reduced separation, women as a group will represent over half of the Ontario Public Service by the year 2000.

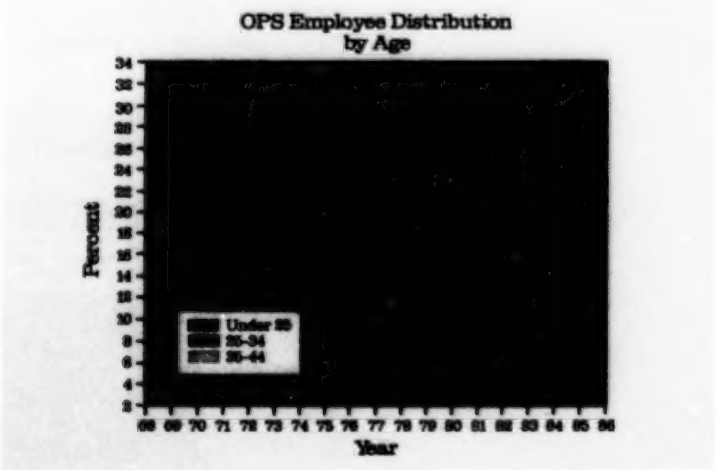


Age Profile

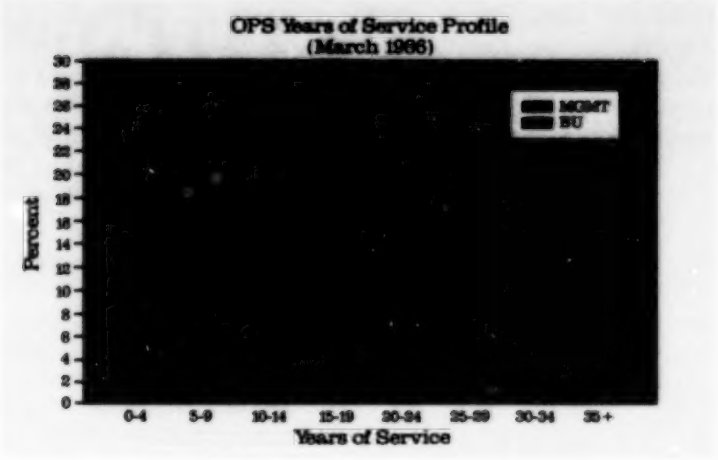
Lack of movement in and out of the service has resulted in a marked increase in the age of the workforce. The median age is now 39. Employees under 25 represent only 4 per cent of all employees compared to the Ontario workforce, where the under 25 group constitutes approximately 20 percent of the workforce. The forecast for the Ontario Public Service, with no intervention, is that young people will form about 2 per cent of our workforce by 1996.



In addition, there is a continuing decline in the 25–34 age group at a time when the "baby bust" will bring sizeable labour shortages at the younger age levels. We will soon be competing in a sellers' market for a scarce resource.



Close to one third of the middle management group are long service staff (10–14 years) who are under 45. Not only does this restrict upward mobility for those under 39, but since it can be assumed that long service staff are unlikely to move, the effect will be cumulative.



Organizational Profile

While the overall size of the Ontario Public Service has remained stable, the executive ranks and the bargaining unit employees have decreased in numbers. At the same time the management/professional and technical staff has increased by 5 per cent. On a worldwide basis middle managment has shrunk by 15 per cent since 1979.

Within the management group, the operational, professional and technical occupations have decreased in size, whereas administrative and clerical staff have increased by 18.2 per cent and 12.1 per cent respectively. Program analysis and systems jobs, in particular, have experienced considerable growth.

Current trends indicate that organizations are reshaping the role of middle managers and moving away from the traditional supervisory model to self management concepts for employees. Technology is also impacting at the middle management level requiring a greater emphasis on information management.

In an era where the traditional organizational structure is being challenged and work is being restructured, organizations within the Ontario Public Service still reflect as many as eleven levels of hierarchy.

Conclusion

Without conscious, planned intervention, the Ontario Public Service will enter the 1990's with a workforce out of step with society. It will be increasingly enclosed and non-reflective of management trends and workforce innovation.

The Challenge

To develop Corporate Human Resources Strategies which will achieve the goal of the Ontario Public Service as a model employer.

Strategic Directions 1986-1996

The Government of Ontario has endorsed three major strategic statements including corporate objectives and recommendations to achieve the renewal of the workforce.

Rejuvenation

Strategic Statement

The composition of the Ontario Public Service shall be more reflective of the diversity of Ontario's population.

Objective: 1

To change the workforce profile over a 10 year period for the under 25 group, and to maintain the under 25–34 at the 26 per cent level.

With an ever declining workforce under age 25, the Ontario Public Service will lose a generation of replacement staff and the ability to compete with other employers for a future scarce resource. Equally important is the fact that the 25–34 age group is also projected to decline.

A modest increase each year in the hiring rate for young people would provide the opportunity to increase the size of the under 25 group to approximately 10% of the workforce by 1996.

Objective: 2

To review the record of the Ontario Public Service as a model employer in the recruitment of minorities, women, the handicapped, Francophones and natives, using the results of the "I Count" survey, which will be released early in 1987.

In addition the Human Resources Secretariat has commissioned Avebury Research Consultants, during 1986/87, to assist in the project by reviewing ministry recruitment and advancement policies and practices and make recommendations for objectives to be met in light of the results of the survey.

Recommendations for Change

- Re-establish trainee positions in selected occupations to encourage inexperienced youth to join the public service;
- Re-structure work to lessen the emphasis on hiring of experienced applicants;
- Expand the Internship Program to provide greater opportunities for youth;
- Promote on-campus recruitment of university and community college graduates, including the graduates of our Youth Employment Programs;
- Introduce equity employment initiatives to attract women, minorities, the handicapped, Francophones and natives.

Reshaping

Strategic Statement

The organization which delivers the programs and services of the government shall exemplify the best management styles and be receptive to society's changing attitude to the quality of the working environment.

Objective: 1

To separate traditional managers from technical, professional and administrative staff, who provide internal service functions or manage information, in order to review and reduce the hierarchical structure.

The middle management group should be reviewed not only in response to technological change but in light of new management concepts such as self management structures, networks, multi-disciplinary teams and small groups.

Objective: 2

To provide greater flexibility to the employer and employee, by restructuring and redesigning work practices and the workplace.

Recommendations for Change

- provide greater opportunities for permanent part-time positions, job sharing, short term contracts and part-time assignments;
- establish developmental line positions which would permit a three to six month opportunity for employees.
- explore alternative program/service delivery arrangements;
- as turnover occurs in the middle management ranks, review the value of each layer in the hierarchy with a view to span of control, self management and technological innovation;
- provide personal professional service contracts to occupations in highly competitive job markets;
- provide inter-jurisdictional exchanges where career mobility is blocked for upward assignments;
- provide increased career-oriented training opportunities.

Redeployment

Strategic Statement

Recruitment in the Ontario Public Service shall change to planned staffing initiatives which provide equality of access, as opposed to the current vacancy-driven, reactive process.

Objective: 1

To make 30 per cent of all appointments to the Ontario Public Service from the general public, thus doubling the current level.

Objective: 2

To increase from 2 per cent to 10 per cent the number of inter-ministry promotions; to increase from 10% to 20% the number of inter-ministry transfers.

Objective: 3

To increase from 30 per cent to 50 per cent the number of promotions from outside the organizational unit; and to increase from 55 percent to 75 per cent the number of competitions posted on a ministry-wide basis.

Objective: 4

To reduce from 25 per cent to 20 per cent the number of management opportunities filled without competition.

Recommendations for Change

- review advertising style in the public media to maximize impact;
- increase public media advertising from 4 per cent to 10 per cent;
- decrease restricted competitions from 34 per cent to 25 per cent;
- decrease ministry-wide open competitions geographical restrictions from 30 per cent to 20 per cent;
- ensure all ministry-only postings of open competitions are displayed at the government employment centres;
- increase Topical advertising from 45 per cent of all open competitions to at least 75 per cent;
- increase Topical advertising from 14 per cent of restricted inter-ministry competitions to at least 50 per cent;
- reduce branch/facility only postings.

Human Resources Management Flexibility

Voluntary Exit Opportunities

The renewal of the workforce in line with the strategic directions and the objectives requires greater flexibility in the system to provide funding for human resources planning.

This flexibility will be created through an enhanced version of a Voluntary Retirement Option which will, in addition, provide incentives for employees other than those eligible for a pension to leave the service.

While the initial response to the VEO is anticipated from employees with a 90 or 60 + 20, the imminent federal pension portability legislation should create interest from a larger group of civil servants and thus improve the level of funding available for human resources management.

Eighty percent of the salary funds which become available as a result of the VEO will be retained by ministries. These additional funds will enable ministries to assess human resource issues from a ministry perspective and develop human resources plans which target corporate initiatives and long range human resource planning strategies. The expenditure of the retained dollars will be approved based on those plans.

Terms of Voluntary Exit Opportunities

1 For employees who are eligible for Unreduced Early Retirement (Factor 90, 60 + 20) or who are entitled to an Actuarially Reduced Pension and have 20 or more Years of Service. This option:

□ provides one month's salary for each year that age at retirement is less than 65, to a maximum of 6 months;

□ permits employees to use existing attendance/ severance credit entitlements, to a maximum of 6 months, as service prior to retirement.

Duration April 1987—March 1989

2 For employees with 10+ years of continuous service who do not qualify under Option I. This option:

□ permits the use of attendance/severance credits entitlement as service before termination, to a maximum of six months.

□ provides for the matching of the attendance/ severance entitlement to a maximum of six months;

Duration April 1987—March 1990

3 Part-time employment with full-time pension credit. This option:

□ would apply to employees who normally work full-time and would permit part-time employment with full-time pension credit up to five years if employee contributes on full time salary. This period must be immediately prior to retirement.

Duration—indefinite.

*This assumes a work schedule mutually acceptable to employer and employee.

Ministry Human Resources Plans

Ministries will be required to submit a human resources plan by February 1987. The timing of this reporting is to bring human resources planning into the estimates cycle and provide the linkage between fiscal and human resources forecasting on an ongoing basis.

The plan will be in three parts. The first part will provide baseline information in order to measure progress in achieving human resources goals and objectives. The second part will document the ministry planned use of funds which will become available through the Voluntary Exit Opportunities Program. The Plan will allocate funds in terms of the three strategic directions. A report of actual results will be required at the end of the fiscal year, 1987/88.

Principles

The following principles must be followed by ministries in planning the expenditure of saved dollars:

- organizational and workforce renewal must be planned, and dollars saved must be targetted with a formal plan;
- the plan may include changes in organizational structure or in the use of human resources, must be consistent with ministries' long range human resources management strategy, and must consider the strategic directions and set objectives;
- the plan must be submitted through the Human Resources Secretariat to Management Board.

Guidelines

Dollars saved may only be used for human resources initiatives. The following guidelines are suggested:

- dollars may be used to fund vacated positions, new positions, backfill positions or provide for secondments/ developmental assignments;
- dollars may be transferred to D.O.E. to fund existing or proposed alternative delivery mechanisms, e.g. fee-for-services, contracting out, privatization;
- dollars may be transferred to D.O.E. to fund staff training and development on a continuing or one time basis.